

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:
	:
<b>SEARS HOLDINGS CORPORATION, et al.,</b>	:
	:
	:
<b>Debtors.<sup>1</sup></b>	:
-----X	

**Chapter 11**  
**Case No. 18-23538 (RDD)**  
**(Jointly Administered)**

**MODIFIED ORDER APPROVING THE REJECTION  
OF CERTAIN EXECUTORY CONTRACTS**

Pursuant to and in accordance with the *Order Authorizing Debtors to Establish Procedures for Rejection of Executory Contracts* (ECF No. 3044) (the “**Rejection Procedures Order**”)<sup>2</sup> entered in the above-captioned chapter 11 cases of Sears Holdings Corporation and its debtor affiliates (collectively, the “**Debtors**”); and the Debtors having properly filed with this Court and served on the Rejection Notice Parties a notice, dated April 12, 2019 (the “**Rejection Notice**”) of their intent to reject certain executory contracts identified on **Schedule 1** attached

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Rejection Procedures Order.

hereto (“**Contracts**”) in accordance with the terms of the Rejection Procedures Order, and such notice having been adequate and appropriate under the circumstances; and it appearing that no other or further notice need be provided; and an *Order Approving the Rejection of Certain Executory Contracts*, dated May 2, 2019 with respect to the Rejection Notice having been entered on May 8, 2019 (ECF No. 3754) (the “**Original Order**”) on the basis that no timely objection to the Rejection Notice had been filed; and the Debtors having determined after entry of the Original Order that a timely objection to the Rejection Notice was filed by Kurt Staelens (ECF No. 3396) with respect to the Rejection Notice (the “**Objection**” and the executory contract with respect thereto, the “**Disputed Contract**”); and the Debtors having removed the Disputed Contract from **Schedule 1** to the Original Order and submitted a revised form of **Schedule 1** attached hereto; and no timely objections having been filed to the Rejection Notice with respect to the Contracts set forth on **Schedule 1** attached hereto; and the Court having found and determined that the relief requested is in the best interests of the Debtors, their estates, their creditors, and all parties in interest and a proper exercise of business judgment; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

**A.** The Original Order is modified and superseded by this Order, pursuant to Fed. R. Bankr.

P. 9023, *nunc pro tunc* to the date of the Original Order.

1. The Contracts set forth on **Schedule 1** attached hereto are hereby rejected pursuant to 11 U.S.C. § 365, effective as of the Rejection Date.

2. Nothing contained in the Original Order or this Order shall constitute either an assumption or a rejection of the Disputed Contract and the Debtors’ rights with respect thereto under section 365 of the Bankruptcy Code are preserved.

3. If any affected non-Debtor party (each, a “**Counterparty**”) to a Contract asserts a claim against the Debtors arising from the rejection of the Contract, the Counterparty shall submit a proof of claim on or prior to thirty (30) days after May 8, 2019. If a Counterparty does not timely file a proof of claim in accordance with the terms of this Order, the Counterparty shall forever be barred from asserting a claim arising from the rejection of their Contract.

4. Nothing contained in this Order is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors’ or any appropriate party in interest’s rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (iv) an approval, assumption, or adoption of any agreement, contract, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

5. Notwithstanding entry of this Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

6. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

7. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

Dated: June 25, 2019  
White Plains, New York

/s/ Robert D. Drain  
THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

**Schedule 1**

**List of Rejected Contracts**

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears Holdings Management Corporation	Abney, Kelly Ray	Executive Agreement
Sears Holdings Management Corporation	Acquaviva, David	Executive Severance Agreement
Sears, Roebuck and Co.	Aho, James O.	Special Bonus and Retention Award Agreement
Sears, Roebuck and Co.	Aho, James O.	Executive Agreement
Sears Holdings Management Corporation	Ainsworth, Julie	Offer Letter
Sears Holdings Management Corporation	Ainsworth, Julie	Executive Severance Agreement
Sears Holdings Management Corporation	Anderson, Lisa B.	Special Retention Award Agreement
Kmart Corporation	Andresen, Randall	Executive Severance Agreement
Sears, Roebuck and Co.	Baker, Robert F.	Special Retention Award Agreement
Sears, Roebuck and Co.	Baker, Robert F.	Executive Agreement
Sears Holdings Management Corporation	Barnes, Jason	Executive Agreement
Sears Holdings Management Corporation	Bassett, Brett	Executive Agreement
Sears, Roebuck and Co.	Bhanawat, Geet	Offer Letter With AIP Guarantees
Sears, Roebuck and Co.	Bhanawat, Geet	Executive Severance Agreement
Sears Holdings Management Corporation	Borden, Jane	Executive Agreement
Sears Holdings Management Corporation	Boutros, Peter	Executive Agreement
Sears Holdings Management Corporation	Bowling, J Mitchell	Executive Agreement
Sears, Roebuck and Co.	Bruder, Kurt	AIP Guarantee - Offer Letter
Sears Holdings Corporation	Buckner, Michael	Special Retention Award Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears Holdings Management Corporation	Budrovic, Mistee	Special Retention Award Agreement
Sears Holdings Management Corporation	Chapman, Brad	Executive Severance Agreement
Sears Holdings Management Corporation	Chase, Christopher	Executive Severance Agreement
Sears Holdings Management Corporation	Chung, Eui	Executive Severance Agreement
Sears Holdings Corporation	Clark, Laura	Executive Severance Agreement with Amendment 1
Sears, Roebuck and Co.	Connow, Karen	Special Bonus and Retention Award Agreement
Sears, Roebuck and Co.	Conrad, Jeff C.	Project Completion Bonus
Sears Holdings Management Corporation	Coonce, Cary A.	Executive Agreement
Sears Holdings Management Corporation	Cundick, Graham M.	Executive Agreement
Sears, Roebuck and Co.	Dastagir, Mohammed	Executive Severance Agreement with Amendment 1
Sears Holdings Management Corporation	Dattilo, Anthony	Executive Agreement
Sears Holdings Management Corporation	Demert, Richard	Merchant Severance Agreement
Sears Holdings Management Corporation	DePalma, Gregory B.	Severance Agreement
Sears Holdings Corporation	Desalvo, Thomas	Executive Severance Agreement
Sears, Roebuck and Co.	Dimmitt, Steven	Executive Agreement
Sears, Roebuck and Co.	Donohoe, Ronald D.	Special Bonus and Retention Award Agreement
Sears, Roebuck and Co.	Donohoe, Ronald D.	Executive Agreement
Sears Holdings Management Corporation	Drieselman, Daniel M	Executive Severance Agreement
Sears Holdings Management Corporation	Dybowski, Michael	Executive Severance Agreement
Kmart Corporation	Ebert, Gregory	Executive Severance Agreement
Sears, Roebuck and Co.	Echegaray, Carolina	SLP Severance Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears, Roebuck and Co.	Elder, Sara	Executive Severance Agreement
Sears Holdings Management Corporation	Ellerby, Michael R.	Special Retention Award Agreement
Sears Holdings Corporation	Erlechan, David	Executive Severance Agreement
Sears Holdings Management Corporation	Fenn, Clint	Executive Agreement
Sears Holdings Management Corporation	Ferguson, Brian	Executive Severance Agreement
Sears Holdings Management Corporation	Ferrell, Patrick	Executive Severance Agreement
Sears Holdings Management Corporation	Franceschi, Karen	Executive Severance Agreement
Sears Holdings Management Corporation	Frankowski, Edwin W.	Special Retention Award Agreement
Sears, Roebuck and Co.	Geog, Clint	Executive Severance Agreement
Sears Holdings Management Corporation	Gerlach II, Rob	Executive Severance Agreement
Sears Holdings Management Corporation	Glowacki, Matthew L.	Executive Agreement
Sears Holdings Management Corporation	Gonzalez, Jesse	Executive Severance Agreement
Sears Holdings Management Corporation	Goodrich, Christopher J.	Special Bonus and Retention Award Agreement
Sears Holdings Management Corporation	Goodrich, Christopher J.	Severance Agreement
Kmart Corporation	Gorecki, Ryan D.	Special Retention Award Agreement
Sears Holdings Management Corporation	Gourlin, Franck	Executive Agreement
Kmart Corporation	Grabau, Aimee L.	Executive Agreement
Sears Holdings Management Corporation	Green, Katherine	Executive Severance Agreement
Sears, Roebuck and Co.	Hand, Anne	Executive Severance Agreement
Sears Holdings Management Corporation	Hayward, Paul	Executive Severance Agreement
Sears Holdings Management Corporation	Heisner, Craig	Executive Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Kmart Corporation	Hicks, Mark	Executive Severance Agreement
Sears Holdings Management Corporation	Hobson, Keith L.	Special Retention Award Agreement
Sears Holdings Management Corporation	Hoeller, William	Executive Severance Agreement
Sears Holdings Management Corporation	Holbrook, Jeremy R.	Special Retention Award Agreement
Sears Holdings Management Corporation	Hopp, Dan	Executive Severance Agreement
Sears, Roebuck and Co.	Howard, Nashira N.	Special Retention Award Agreement
Sears, Roebuck and Co.	Hudak, Travis	Executive Agreement
Sears Holdings Management Corporation	Insolia, Spencer	Executive Agreement
Sears, Roebuck and Co.	Jefferson, Sharron	Special Retention Award Agreement
Sears Holdings Management Corporation	Jenchel, Laurence	Special Retention Award Agreement
Sears Holdings Management Corporation	Jenchel, Laurence	Executive Severance Agreement
Sears Holdings Management Corporation	Jones, Joseph A.	Special Bonus and Retention Award Agreement
Sears, Roebuck and Co.	Josephs, Scot	Special Retention Award Agreement
Sears Home Improvement Products, Inc.	Kajcienski, Sean	Executive Agreement
Sears Holdings Management Corporation	Kandala, Srini	Executive Severance Agreement
Sears Holdings Management Corporation	Kenjar, Maja	Executive Agreement
Sears Holdings Management Corporation	Klinkert, Jonathan	Merchant Severance Agreement
Sears Holdings Management Corporation	Koreis, Thomas	Offer Letter
Sears Holdings Management Corporation	Krohn, Christopher	Executive Severance Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears Holdings Management Corporation	Kruszewski, Frank M	Executive Severance/Non-Compete Agreement
Sears Holdings Management Corporation	Kurt, Justin	Executive Severance Agreement
Sears Holdings Management Corporation	Ladley, Gregory	Executive Agreement
Sears Holdings Management Corporation	Lai, Peter	Executive Agreement
Sears Holdings Corporation	Legac, Kurt	Special Retention Award Agreement
Sears, Roebuck and Co.	Lemmert, Todd	Executive Severance Agreement
Sears Holdings Management Corporation	Lifson, Dale	Executive Severance Agreement
Sears Holdings Management Corporation	Linnane, William	AIP Guarantee - Offer Letter
Sears Holdings Management Corporation	Linnane, William	Executive Severance Agreement
Sears Holdings Management Corporation	Lummas, David	Executive Severance Agreement
Sears Holdings Management Corporation	Macro, Joseph G.	Special Retention Award Agreement
Sears Holdings Management Corporation	Marquez, Ramon	Executive Agreement
Sears Holdings Management Corporation	Marsella, David	Executive Severance Agreement
Sears Holdings Management Corporation	McCarthy, Michael P.	Executive Agreement
Sears Holdings Management Corporation	McClearn, Marisa	Special Retention Award Agreement
Sears Holdings Management Corporation	McClearn, Marisa	Executive Severance Agreement
Sears Holdings Management Corporation	Meerschaert, Lawrence	Executive Severance Agreement
Sears Holdings Management Corporation	Michalski, Catherine	Executive Severance Agreement
Sears Holdings Management Corporation	Morrie, Michael	Executive Severance Agreement



<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears Holdings Management Corporation	Moy, Kenneth	Executive Agreement
Sears Holdings Management Corporation	Multer, Scott	Executive Severance Agreement
Sears Holdings Management Corporation	Munjal, Leena	Special Retention Award Agreement
Sears Holdings Management Corporation	Munjal, Leena	Executive Severance Agreement
Sears Holdings Management Corporation	Murphy, John J.	Special Bonus Award Agreement with NC Terms
Sears Holdings Management Corporation	Murtagh, Robert D.	Special Retention Award Agreement
Sears Holdings Management Corporation	Naedele, Robert	Offer Letter With AIP Guarantee
Sears Holdings Management Corporation	Naedele, Robert	Executive Severance Agreement
Sears Holdings Corporation	Nuzzo, Darcy L.	Special Retention Award Agreement
Sears Holdings Management Corporation	O'Connor, J Michael	Executive Severance Agreement
Sears Holdings Management Corporation	O'Hara, Kathleen	Executive Severance Agreement with Amendment 1
Sears Holdings Management Corporation	Oppenkowski, Misty Redman	Executive Severance Agreement
Sears, Roebuck and Co.	Paluch, Paul	Executive Severance Agreement
Sears Holdings Management Corporation	Pazak, Michael	Executive Agreement
Sears Holdings Corporation	Pepperney, Jeffrey A.	Special Retention Award Agreement
Sears Holdings Management Corporation	Phelan, Robert	Executive Severance and Non-Compete Agreement
Sears Holdings Management Corporation	Potdar, Hrishikesh	Offer Letter
Sears, Roebuck and Co.	Price, Carrie	Internal Action Letter
Sears Holdings Management Corporation	Puerto, Roger	Executive Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears Holdings Management Corporation	Ricchio, Carol	Executive Severance Agreement
Sears Holdings Management Corporation	Ridle, Jim	Special Retention Award Agreement
Sears Holdings Management Corporation	Ridle, Jim	Executive Severance Agreement
Sears Holdings Management Corporation	Riecker, Robert	Conditional Project Bonus
Sears Holdings Management Corporation	Riecker, Robert	AIP Guarantee - Offer Letter
Sears Holdings Management Corporation	Riecker, Robert	Executive Severance Agreement and Internal Action Letter
Sears Holdings Management Corporation	Rolecek, Terrence	Executive Severance Agreement
Sears Holdings Management Corporation	Romas, Chris G.	Executive Agreement
Sears Holdings Management Corporation	Rose, Charles T.	Special Retention Award Agreement
Sears Holdings Management Corporation	Russell, Gregory	Executive Agreement
Sears Holdings Management Corporation	Rutkowski, Steven C.	Special Retention Award Agreement
Sears Holdings Management Corporation	Schoenwolf, Kimberley	Executive Severance Agreement
Sears Holdings Management Corporation	Shah, Shripal H.	Executive Agreement
Sears Holdings Management Corporation	Shellenberger, David	Executive Severance Agreement
Sears Holdings Management Corporation	Shunnarah, Anita J.	Special Bonus and Retention Award Agreement
Sears Holdings Management Corporation	Singhal, Anuj	Executive Severance Agreement
Sears Holdings Management Corporation	Sinha, Narendra N	Executive Severance Agreement
Sears Holdings Management Corporation	Sitley, Stephen	AIP Guarantee - Offer Letter
Sears Holdings Management Corporation	Sitley, Stephen	Executive Agreement

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Contract Description</b>
Sears, Roebuck and Co.	Smith, Charles	Executive Severance Agreement
Sears Holdings Management Corporation	Sparacino, Peter C.	Special Bonus and Retention Award Agreement
Sears Holdings Management Corporation	Steckbeck, Todd	Executive Severance Agreement
Sears Holdings Management Corporation	Swager, Kenneth J.	Executive Severance Agreement
Sears Holdings Management Corporation	Swager, Kenneth J.	Special Retention Award Agreement
Sears Holdings Management Corporation	Tabor, Candace	Executive Severance Agreement
Sears Holdings Management Corporation	Thomas, William A.	Special Retention Award Agreement
Sears Holdings Management Corporation	Valentino, Luke	AIP Guarantee - Offer Letter
Sears Holdings Management Corporation	Valentino, Luke	Executive Agreement
Sears Holdings Management Corporation	Walsh, Robert	Executive Severance Agreement
Sears Holdings Management Corporation	Weber, Robert	Executive Agreement
Sears Holdings Management Corporation	West, Ric	Executive Severance Agreement
Sears Holdings Management Corporation	White, Jennifer	Executive Agreement
Sears Holdings Management Corporation	Winstanley, Allan	Executive Severance Agreement
Sears, Roebuck and Co.	Wood, Lori	Executive Agreement
Sears Holdings Management Corporation	Zachrisen, Espen	Special Retention Award Agreement
Sears Holdings Management Corporation	Zachrisen, Espen	Executive Agreement